GOVERNMENT OF INDIA
FINANCE AND COMPANY AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO:1920
ANSWERED ON:29.11.2002
USE OF SURPLUS FUND BY REGULATORY AUTHORITIES
SUBODH MOHITE

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether the regulatory Authorities including SEBI and IRDAare not depositing their surplus funds to the public accounts of the Government ;

(b) if so, the reasons therefor ;

(c) the amount collected by authorities as fees and penalties imposed since their inception ;

(d) the utilisation of these funds by these authorities; and

(e) the measures taken by the Government to get these funds credited to the public account ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO V. ADSUL)

(a) & (b) : As far as the Securities and Exchange Board of India (SEBI) is concerned, through the Securities and Exchange Board of India (Amendment) Ordinance, 2002 promulgated on 29th October, 2002, all sums realised by way of penalties and fines are to be credited into the Consolidated Fund of India.The Insurance Regulatory and Development Authority (IRDA) has been directed to credit all money in the IRDA Fund into Public Accounts of India.

(c) & (d) : The details of fees and penalties collected by the SEBI from the year 1993-94 to 2001-2002 are as follows :

Year	Amount of fees collected	Amount of penalty collected
1993-1994	Rs. 1,589.94 lakhs	Nil
1994-1995	Rs. 2,549.78 lakhs	Nil
1995-1996	Rs. 3,217.70 lakhs	Nil
1996-1997	Rs. 2,535.42 lakhs	Nil
1997-1998	Rs. 1,895.50 lakhs	Rs. 4.60 lakhs
1998-1999	Rs. 2,039.29 lakhs	Rs. 1.65 lakhs
1999-2000	Rs. 2,774.74 lakhs	Rs. 29.00 lakhs
2000-2001	Rs. 6,132.82 lakhs	Rs. 60.98 lakhs
2001-2002	Rs. 9,741.24 lakhs	Rs. 97.14 lakhs

SEBI has been utilising these funds for meeting the expenditure on the salaries, allowances, other remuneration of members, officers and other employees of the Board and the expenses of the Board in the discharge of its functions. So far as other regulatory agencies are concerned, the information is being collected and shall be laid on the Table of the House.

(e) : As per the Securities and Exchange Board of India (Amendment) Ordinance, 2002, all sums realised by way of penalties are required to be credited to the Consolidated Fund of India.